

FY 2002/2003 Marketing Plan – Appendix A

The following plan has been developed by the statewide Tourism Marketing Advisory Committee. It has been under public review by state destination marketing organizations for comment, and will be presented to the California Travel and Tourism Commission for final approval in late May.

The plan comprehensively reflects a joint marketing endeavor of the California Division of Tourism and the California Travel and Tourism Commission. As such, all program elements will be referred to under the "California Tourism" program name.

Mission

To promote California as a travel destination for the expressed purpose of increasing travel spending within the state, generating additional tax revenues from increased travel spending and sustaining and expanding travel and tourism-related employment within California.

Purpose of this Marketing Plan

The California Tourism marketing plan:

- Motivates residents of other U.S. states to travel to and within California,
- Stimulates travel to and within California by residents of other countries and
- Encourages Californians to travel within California.

In support of these purposes, the plan is divided into four program areas:

- Research and Rural Tourism Marketing
- Communications and Visitor Information
(i.e., media relations, Web site, welcome centers, and collateral and fulfillment)
- National Advertising and Cooperative Marketing Activities
- International, Travel Trade Development and Marketing

Various marketing tactics are used within each of these program areas to accomplish the plan's major objectives, such as: market research, economic research, program evaluation research, advertising, publicity, promotions, direct marketing, sales missions, trade shows, press trips and trade familiarization tours, collateral, fulfillment and special events. These tactics apply to several of California Tourism's programs.

The California Tourism Policy Act (1984) specifies that the California Travel and Tourism Commission (CTTC), in cooperation with California Division of Tourism and the Technology, Trade and Commerce Agency, adopt and annually update this plan. This was reasserted in the California Tourism Marketing Act (1995/96).

California Tourism's Marketing Plan, to the extent practical and feasible, is intended to:

- Serve as a guide for effectuating the California Tourism Policy Act/California Tourism Marketing Act with available resources,
- Include an assessment of the activities and accomplishments of California Tourism (in annual report),

- Outline the intended program of tourism promotion and visitor service activities for the coming year,
- Delineate the ways, means and programs by which tourism shall be promoted, including any cost-effective marketing methods and techniques to be employed,
- Identify resources reasonably necessary from all sources both public and private, to accomplish these promotion and marketing activities,
- Identify and articulate cooperative or shared cost programs, or opportunities for these ventures, with private entities,
- Identify licensing opportunities, including licensing agents, and
- Contain other information, data or recommendations that may be germane to the marketing efforts of California pursuant to the intent of the California Tourism Policy Act and the California Tourism Marketing Act.

In effectuating these points, various industry advisory committees consisting of qualified professionals and experts in various segments of the tourism industry aid in the preparation of this plan. They include:

- Marketing (advertising, overall marketing program, promotions)
- California Countryside (rural)
- Domestic and International Travel Trade
- Publicity
- Fun Spots (attractions)
- Cultural Tourism
- Research
- Publications
- California Travel Market
- Shop California (retail)
- Dine California (restaurants)

California Tourism develops program proposals then presents them to the CTTC or to one of several industry advisory committees for review, comment and refinement, prior to final approval by the CTTC. This process provides the CTTC with the input of industry experts prior to seeing a finished product. There has been significant statewide interest by travel industry individuals who would like to serve on various committees. Typically, this interest can be accommodated due to turnover. Interested parties are invited to send requests to serve on any industry advisory committee to California Tourism. The CTTC, to the maximum extent possible, attempts to balance membership of advisory committees with representatives from small to large businesses, from all tourism regions, and from diverse industry segments.

California Tourism's Role

- Serve as the official travel and tourism marketing representatives of the “destination of California.”
- Serve as the marketing umbrella for California under which California destinations and businesses can gain increased attention from consumers, the trade and the media. In accomplishing this, California Tourism does not replace the private sector's efforts in marketing individual destinations and businesses within the state, but complements these marketing efforts.
- Manage programs that benefit travel and tourism businesses of all sizes and segments within California.
- Serve as a catalyst in developing strong public/private partnerships to promote tourism to the state, via the execution of marketing programs designed to achieve the mutually beneficial objectives of all participants - public and private.
- Seek appropriate opportunities for cooperative marketing efforts with the private sector in order to gain maximum impact from the program.
- Stimulate California tourism industry involvement in participating in the selling of California and their businesses/destinations at selected domestic and foreign travel trade shows.
- Inform California's travel and tourism industry about opportunities to participate in California Tourism's program and of information of value in advancing travel and tourism.
- Inform the media and travel trade of new developments in California travel and tourism for the purpose of stimulating their interest in California as a destination.
- Inform the traveling public (leisure) of the variety of travel opportunities available within California, and serve to keep California top-of-mind when they are deciding where to travel.
- Measure and assess effectiveness and impact of California Tourism marketing programs. The state does not have a “main gate” or “ticket counter” at which to measure sales, so other methods, such as visitor characteristic studies, visitor impact studies, pre/post research focus groups and coupon redemption are used to assess effectiveness.
- Generate private-sector support to assist the State in communicating California's unique offerings and attractions.
- Educate and motivate the travel trade via sales missions, familiarization tours (fam tours), educational seminars and sales calls promoting California in targeted markets.
- Encourage competing businesses and destinations to work together for the greater purpose of attracting visitors to California. *At times, California Tourism's investment on a given program element is minuscule compared to the industry's. On the California Fun Spots promotion, for example, California Tourism provides \$180,000 in funding and participating California attractions raise many times that amount. These attractions are competitors and it is highly unlikely that they*

would cooperate with one another, were it not for the fact that they want to take advantage of the leadership, vision, equity and financial contribution of the State. Similarly, the \$25,000 per rural region provided as seed money for regional marketing, has stimulated additional investment by communities and businesses throughout these regions. Without California Tourism's involvement, the regions would quickly split into competing marketing groups, resulting in confusing messages to travelers and lowering visitation to the individual regions and California overall.

- Utilize research to segment marketing activities by demography, sociography, geography and travel interests in order to maximize effectiveness. *California Tourism utilizes market research to determine where likely visitors live, who they are and what will motivate them to visit. In the past few years, California Tourism has been successful in communicating to a select number of consumer "travel typologies" (family travel, romantic getaways, recreation and sports, nature, and cultural experiences). Research pinpoints visitors with these interests as most likely to be motivated to travel to California.*

Objectives

- Stimulate positive, top-of-mind awareness of California as a "premiere" travel and vacation destination among primary target audiences in targeted areas of the United States, Canada, Mexico and overseas.
- Encourage, persuade and motivate "target audiences" to select California as their travel and/or vacation destination.
- Develop domestic and international markets for California with an emphasis on markets, which bring new tourists and, thus, new revenue into the state. *The State of California serves a critical role in the industry's ability to tap these lucrative and growing markets, in that it often opens relations and lines of business with new markets due to its official diplomatic stature as an element of state government. This often provides benefits not available to private companies. This can give California travel and tourism businesses a competitive advantage over businesses in less active or effective states or destinations.*

Strategies

- Conduct travel and tourism marketing that individual businesses and destinations within the state cannot do, as effectively, on their own. *Generally, this involves promoting the concept of California as a travel destination.*
- Utilize well-known California tourism icons, such as the Golden Gate Bridge, Disneyland, Yosemite National Parks Half Dome, The Hollywood Sign®¹ and others, to stimulate recognition and purchase of California vacations. *Just because a destination is successful or highly recognized does not eliminate it from being promoted within the State's marketing program. In fact, just the opposite may be needed in order to effectively sell travel to California. Likewise, just because a destination is little-known or unrecognized does not eliminate it from being promoted within the State's marketing program, either. New destinations are just as useful in stimulating travel to California.*
- Where possible, useful and or practical, promote travel to all regions, destinations and attractions within California. California Tourism is open to

criticism whenever it singles out a particular destination or business for attention, but to be effective, this is often necessary. It is impossible to identify every place or business when promoting California as a travel destination. The state is just too big. However, California Tourism attempts to be fair and balanced in its representation of all regions, destinations and attractions within California, but it is not always possible or productive to identify every city, region or attraction within the state. At times, it may be counterproductive to do so. The objective of this program is to effectively market travel “to and within California.” To best accomplish this, decisions on what to identify or what works best for the given market is left to the professional judgment of California Tourism with direction, review and approval provided by the Commission.

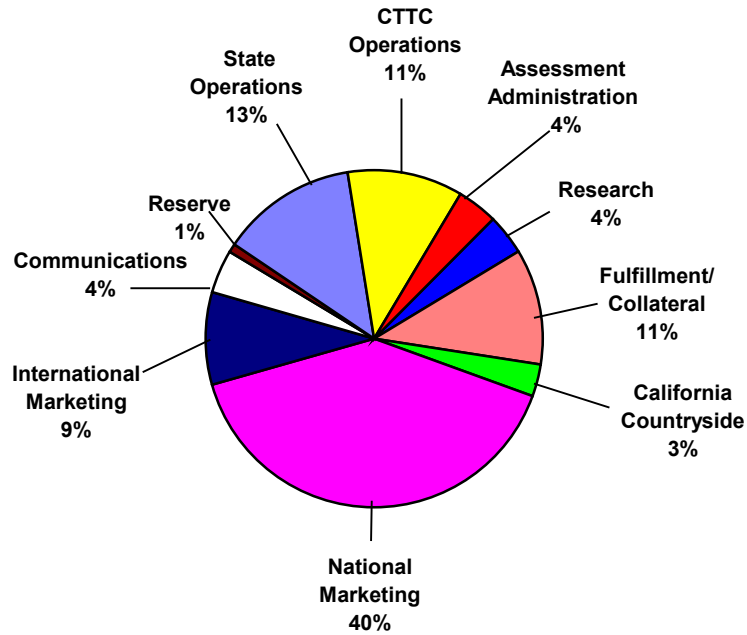
- When marketing within California, promote travel to California’s lesser-known and under-utilized destinations.
- When marketing outside California, promote travel to all California destinations.
- Stimulate travel to lesser-known and under-utilized destinations and work with these destinations in the development of regional and related tourism marketing programs.
- Make best use of resources by applying cooperative partnership and funding techniques, where they serve California’s best overall interests in attracting travel to and within California.

Primary Target Audiences

- When marketing within California: Adult travel consumers, 25-plus, with annual household income exceeding \$35,000
- When marketing in North America, outside California: Adult travel consumers, 25-plus, with annual household income exceeding \$50,000
- When marketing outside North America: Adult travel consumers, 25-plus with annual household income exceeding \$75,000
- Tour operators, tour wholesalers, receptive operators, travel agents
- Consumer and travel trade media

¹ “The Hollywood Sign” is a registered trademark of the Hollywood Chamber of Commerce and is used with permission whenever seen in California Tourism communications and marketing.

FY 2002/03 CALIFORNIA TOURISM MARKETING PLAN



Program Budget (Proposed '02-03)

Research	\$520,000
California Countryside	410,000
Collateral and Fulfillment	1,412,000
National Marketing/Co-op Budget	5,181,500
International Marketing	1,092,000
Communications/Media Relations	582,000
Reserve	15,025
California Tourism Operations	1,756,475
CTTC Operations	1,466,000
<u>Assessment Administration</u>	<u>585,000</u>
TOTAL	\$13,020,000

NOTE: Because full descriptions of previous year activities are identified in the Annual Report, the FY 2002/03 Marketing Plan does not detail every activity. It describes only major new additions or departures from the previous plan. For details on undescribed activities, refer to the Annual Report.

Research

This budget proposes growth in the areas of tourism demographics and statistics, program evaluation, industry support, and communications.

Research Budget

Economic Impact Analysis	\$65,000
Includes: "Travel Impacts by County"	
Program Evaluation/Return on Investment	\$280,000
Includes: "Advertising and Fulfillment Impact Study"	
Domestic Market Research	\$95,000
Includes: "Domestic Travel to California," Seasonal Travel Forecasts, Directabs data CDs, Monthly Domestic Travel Reports, and Monthly Travel Indicators.	
International Market Research	\$16,200
Includes: "Overseas Visitors to California".	
Website Survey	\$8,500
On-going survey of visitors to California Tourism's website and follow-up survey of a portion of the site users.	
<i>Fast Facts 2003</i> publication	\$15,000
Topline statistics of the California travel industry.	
Quarterly Travel Indicators	\$13,534
Quarterly analysis of travel and tourism indicators, such as air traffic, border crossings, and visitor center usage.	
Special Studies/Reserve	\$26,766
Includes quick turnaround projects (flood impacts, etc.)	
RESEARCH TOTAL.....	\$520,000

California Countryside

Timing

Year-round

- California Countryside Marketing
- Niche Marketing

Strategies

- Provide financial incentives that bring together communities and businesses in rural regions to conduct regional destination marketing for the purpose of stimulating increased visitor spending.
- Assist the California ski industry in attracting midweek business from long-haul markets.

California Countryside Marketing

California Tourism proposes regional marketing funding of \$25,000 per region. The funds will be allocated for purposes of regional marketing and will require each of the eight designated rural regions to participate in a California Tourism-organized international sales mission. Funds will be distributed to the following Regional Marketing Organizations:

Central Coast	Central Coast Tourism Council
Central Valley	Central Valley Tourism Association
Desert	Palm Springs Desert Resorts
Gold Country	Gold Country Visitors Association
High Sierra	High Sierra Visitors Council
Inland Empire	Inland Empire Tourism Council
North Coast	Redwood Empire Association
Shasta Cascade	Shasta Cascade Wonderland Association

Niche Marketing

The amount of \$10,000 is proposed to fund promotion of uniquely rural tourism opportunities, such as eco-tourism or outdoor recreation; and promotional materials, such as guides or on-line directories that will be statewide or multi-regional in scope.

Budget

California Countryside Marketing	\$200,000
Niche Marketing	10,000
California Snow	200,000
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TOTAL COUNTRYSIDE	\$410,000

Communications Program

Collateral and Fulfillment Budget

Fulfillment Contractor	\$360,000
Postage	700,000
Student Packets	35,000
Photography	20,000
Calendar of Events	130,000
Web Site Maintenance	20,000
Web Site Improvements	50,000
Internet Assessment List	20,000
Border Station Distribution	15,000
Driving Tour Co-op	50,000
Teale Data Center	12,000

TOTAL COLLATERAL AND FULFILLMENT **\$ 1,412,000**

Web site

With the newly re-designed Web site, California Tourism continues to add new sections and feature links to co-op marketing programs established by the CTTC. Future plans include adding online forms allowing assessed businesses the

opportunity to list their properties/business locations on the California Tourism site; build the search engine to be more user friendly; establish more content for the "Activities & Attractions" section; and develop a lengthy FAQ section. California Tourism will also be working with the State Portal to create a personalization tool on the www.ca.gov site that allows users to view travel information specific to the users' preferences.

As in previous years, California Tourism will seek out opportunities for more Internet visibility, research advances in technology and review other travel destination Web sites to find the latest trends. Steps are being investigated to make the "California Finds" section, listing special travel package values, a year-round component of the California Tourism Web site.

Publications

California Tourism's selection of travel publications produced by California Travel and Tourism Publications (dba Sunset Custom Publishing) will continue. The popular *California Driving Tours* guide is scheduled for revisions and a reprint. *California Celebrations* is expected to remain a 48-page publication listing more than 1,200 special events and festivals throughout the state.

Photography

New images will be added to California Tourism's photo library to better assist the media and tour operators. Other images will be purchased for use in California Tourism publications and Web site. The current set of three photo CD-ROMs will be reprinted and a fourth CD of new images will be produced.

Media Relations

Last fiscal year California faced many serious challenges – an energy crisis, economic recession, tragic events of September 11, and a major budget deficit – that continually tested the resiliency of the state's travel and tourism industry. Public relations became an extremely important tool for battling these challenges. As we enter FY 2002/2003, public relations will play an important role in California Tourism's recovery effort. This also marks a year of transition as we evaluate existing components of the media relations program and consider new ones. What we do this year and what we propose for next year will be determined by available resources – staff and budget – and the needs of California Tourism's constituents – destination marketing organizations, attractions, assessed businesses, etc. Our goal is to implement the most effective and cost efficient media relations plan possible.

Our overseas public relations offices in Germany, Japan and the United Kingdom, each with at least a full year experience representing California Tourism, will actively pursue California coverage via individual and group press trips, participation in key travel trade shows (i.e., World Travel Market, ITB, California Travel Market), promotional opportunities, and daily contact with journalists. A California Tourism media mission to Europe (England, Scotland, Germany, and Switzerland) is planned for October. Editorial appointments, radio interviews, and intimate breakfasts, lunches or dinners will be scheduled with key journalists throughout the two-week period. A similar mission is planned for Japan in February or May 2003. In addition, the travel trade budget for Brazil will be augmented to allow for an increased public relations presence.

A media mission to New York, involving California Tourism staff only, is planned for February 2003. During the year we will be looking at ways to improve and energize the California Tourism media mission format. Next year we expect to resume a California Tourism press event in New York, involving California delegates.

Editorial appointments throughout the year will be conducted in Los Angeles and San Francisco, and other key in state markets, schedule permitting. Airline partnerships will be pursued to sponsor press trips for domestic travel writers and editors, featuring lesser-known destinations in the state.

Publicity generating publications such as *What's New in California*, a round-up release of new developments in California; *Insights*, California Tourism's quarterly newsletter; and various feature releases designed to stimulate travel to California, will continue.

California Tourism will coordinate press invitations and publicity for the annual California Travel Market (CTM) in February and California Conference on Tourism in April. When applicable, post-conference press trips will be organized.

The public relations program will also support and complement the annual advertising campaign and co-op marketing initiatives.

Media Relations Budget

Media Mission to New York	\$ 60,000
PR in Brazil	\$7,000
Domestic Media Outreach	\$10,000
International Media Outreach	\$15,000
CTM Media Outreach	\$8,000
Additional Media Representation	\$5,000
PR Contractor in Germany	\$100,000
PR Contractor in Japan	\$100,000
PR Contractor in UK	\$100,000

Publicity

Press and Feature Releases	\$ 25,000
Press Kits.....	\$ 10,000
What's New In California	\$ 10,000
Translations	\$ 10,000
B-Roll (new footage & duplication)	\$ 10,000

Evaluation

Newsclipping Service & Analysis	\$ 7,000
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Newsletter

Insights (quarterly).....	\$ 75,000
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Welcome Centers	\$ 30,000
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TOTAL MEDIA RELATIONS **\$ 582,000**

California Welcome Centers

The California Welcome Center program continues to serve as a model for visitor centers nationwide. Operating much like a franchise system, California Welcome

Centers do not receive funding from the State of California, and must comply with set terms and conditions issued and monitored by California Tourism. Through creative local funding sources and sponsorships, California Welcome Centers serve as the foundation of cooperative public and private partnerships.

Ten California Welcome Centers now span the state, with an 11th scheduled to open in Auburn this fall. In 2001, more than 500,000 people visited California Welcome Centers

As the California Welcome Center program matures, the network grows stronger with fresh ideas, concepts and sophistication. For FY 2002/2003, the program will include a new Web site linked to www.visitcalifornia.com and featuring local itineraries, local artisan products and travel reservation services.

Cooperative partnerships continue with Certified Folder Display, California Marketplace Visit Technologies Group, California Department of Transportation (CalTrans), CSU, Chico, CSU, Humboldt, California State Parks and OnStar.

National Marketing and Advertising

Target Audiences

Because advertising is intended to stimulate vacation travel, a high standard is applied to the advertising program's target audiences:

- Adults who traveled 100 miles or more away from home during the past 12 months
- Parents, 25 plus years of age (skewed female) with household incomes in excess of \$50,000 per year
- New visitors
- Repeat visitors

Timing

Ongoing

- National Advertising
- Shop California
- Dine California
- Golf California
- Outdoor Recreation
- California Fun Spots
- California Connection - National Tour Association
- Cultural Tourism
- California Welcome Centers
- Wild Vacations Value Book
- Launch *Adventures in Wild California* IMAX film

Situational

- Marketing Alliances and Co-op to support advertising
- IMAX Theater co-op

Strategies

- Heighten positive top-of-mind awareness of California's diversity and increase the desire to visit California throughout the United States.

- Generate in excess of \$5 million in co-operative funds from the private sector to join the State in communicating California's unique offerings and attractions.
- Educate and motivate the travel trade with special promotions, familiarization trips, and sales calls promoting California in targeted markets.
- Strengthen relationships with airlines, their packaging affiliates and tour operators.
- Expand membership in key associations such as ABA, USTOA, and others.
- Expand participation at key travel trade and consumer exhibitions.
- Increase focus on incentive planners by strengthening direct outreach and developing user-friendly resources to provide necessary information on state's facilities/services.
- Generate 300,000 telephone and reader service inquiries from prospective vacationers and, as a result, stimulate potential visitors to travel to California via widespread distribution of the consumer fulfillment guide.
- Support the domestic advertising effort with a strong, positive publicity campaign on California and its 12 regions.
- Create broad-based promotions that complement the goals and objectives of the overall domestic marketing campaign and motivate private sector participation.
- Stimulate economic activity in support of arts, heritage and cultural tourism particularly where the community or cultural facility is financially disadvantaged.
- Provide California hotels, motels and inns, of all sizes, with the promotional benefit of electronic brochures on the World Wide Web and a direct connection between California marketing efforts and measurement of sales, through the use of lodging reservation services.
- Improve visitor information available to travelers at strategic Welcome Center locations within the state.

Advertising

The objectives of the advertising program are to:

- Establish "top of mind" awareness for California as a travel destination among the target.
- Improve and establish California's image as a premiere destination.
- Persuade consumers to choose California instead of other destinations.
- Increase person trips to the state.

These objectives will be achieved through a program that is focused on impact and integration, critical success factors – given a reduced advertising budget. Through a variety of integrated programs we will extend our budget so that California appears bigger than its limited budget. This will be achieved through co-op/promotions, public relations and advertising.

Critical to the task of differentiating the State from other destinations, the communication will leverage the "California Attitude" (the notion that we as Californians live life to the fullest and put *pleasure* first), as well as continue to build awareness of the "California Mystique" (what makes California so different and desirable).

The California Attitude is effectively brought to life through both television and print ads, using the concept known as California Rap – a spontaneous and uninhibited invitation that reflects the unique lifestyle of Californians in the active pursuit of pleasure. The ads showcase California's diversity, spectacular environment and broad array of experiences, highlighting both urban and rural locations around the state.

The TV commercial titled "Doug" was created in the summer of 2001, but has aired only on a limited basis due to the changing needs post September 11. Three new magazine ads were developed for the 2003 key season campaign, in both full page and half-page spreads, to create impact with readers.

The campaign will continue to have a call to action. Prospective visitors are directed to call the toll-free 800 number, visit the Web site at www.visitcalifornia.com, or to consult their travel agent for a free visitors guide or reservations.

The focus of the media plan is to:

- Extend the budget and make it work harder
- Continue to define and focus efforts to promote visits and generate revenue

The target is non-resident leisure travelers (they have the greatest potential to increase visits and revenue to the state.) The demographic target is based on the profile of current California visitors who are: adults 25 – 54 with a HHI of \$50,000+. Emphasis will be placed on the West due to the high concentration of the target, 52% of non-resident leisure visits come from 10 Western states, which account for 11% of US Households. The remaining visits (48%) are highly fragmented and spread out over the remaining 38 states. Additionally, Western travelers extend the travel season, as they are more likely to visit during the shoulder seasons.

The plan (consisting of both brand advertising and co-op) will be concentrated to support the key summer travel season, with support beginning in February and continuing through June. This schedule coincides with both short and long-term travel planning cycles.

Spot television will be used March through May to cover key feeder markets: Phoenix, Denver, Seattle, Portland and Las Vegas.

Magazines have been used to provide national coverage and are scheduled February through April in the following publications: *Sunset*, *Better Homes & Garden*, *Travel & Leisure*, *National Geographic Traveler*, *Conde Nast Traveler*, *Smithsonian* and *Readers Digest*.

The magazine co-op program will target Western and in-state travelers and will be placed in the spring issues of publications like *Sunset* and *Travel Holiday*.

The spring AMEX co-op will be a national effort promoting the key travel season. Internet banners will be located on portal sites like AOL, Lycos, Excite and Yahoo. Through added value, the banners will also appear on many of the publication sites mentioned above.

California Fun Spots - 2002

- The 2002/03 Fun Spots membership will remain at nine. Disneyland Resorts has joined the above group and Six Flags Marine World has elected not to participate due to budget constraints.
- The 2002 program is expected to distribute in excess of 4,775,000 Fun Spots cards in California and the 10 western states (AZ, NV, WA, OR, NM, UT, MO, ID, CO, WY).
- The program will include map inserts in the California Visitors Guide, magazine inserts in *Sunset* and *People*, a co-op promotion with Mervyn's Stores and the new Web site.

Shop California

California Tourism continues the development of the Shop California cooperative marketing program designed to entice travelers to California's retail centers and shopping districts. A new logo, letterhead, and press kit is available and being distributed to further the California brand.

The Shop California Advisory Committee plans to expand the shopcalifornia.org website to include a "Press Room" to highlight new destinations and or activities taking place at shopping destinations.

Shop California is partnering with Sony Entertainment and has come up with a mechanism to incorporate Shop California into the popular game show "*Wheel of Fortune*". Shop California will provide an amount of \$3,500 (gift certificate or cash to be worked out with winner) to "*Wheel of Fortune*" for promotion on their game show. Shop California will receive a 10 second promotional video (footage, logo and copy to be provided by Shop California), which will air the week of October 14-18 on their special themed week "*California Dreamin!*" The show will tape August 29.

Shop California will continue to promote California as a unique shopping destination at major international travel trade shows including, La Cumbre, WTM, and POW WOW. This year Shop California will also participate in the Cal Tour Australia trade mission.

Shop California will focus on building membership in the 2002-03 fiscal year. To do this, Shop CA will be holding two informational forums. One forum will be held at PIER 39 in Northern California the week of September 23. The other forum will take place in Southern California at a time and place to be determined (possible around CTM).

Cultural Tourism

The California Cultural Tourism Coalition (CCTC) is coordinating a comprehensive marketing program designed to promote California tourism. In Spring 2002, the Coalition launched a print advertising campaign celebrating California's Hispanic culture playing on the overall theme of cultural events and destinations throughout the state. The 2003 theme will focus on the Asian American heritage of California.

In addition, the Web site was launched to support all marketing efforts and will continue to be enhanced with additional content as well as feature articles. This Web site not only functions as the call to action for the print campaign, but also as a portal to cultural tourism destinations in California. The Web site is designed to maximize levels of visitation and spending in cultural/arts/heritage-related businesses and organizations throughout California by: 1) promoting the California Arts and Tourism Industries; 2) fortifying the development of a sustainable Cultural tourism marketing effort; and 3) developing strategic alliances between the (CCTC) and private corporations.

Coalition Members

<ul style="list-style-type: none"> ▪ California Travel & Tourism Commission ▪ California Arts Council ▪ California State Park ▪ Sacramento Metropolitan Arts Commission ▪ The GSB Group (Santa Barbara) ▪ Japanese American National Museum 	<ul style="list-style-type: none"> ▪ San Diego Convention & Visitors Bureau ▪ San Francisco Convention & Visitors Bureau ▪ Los Angeles Convention & Visitors Bureau ▪ Los Angeles County Arts Commission ▪ San Diego Commission for Arts & Culture
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The coalition hopes to continue to grow membership through communication efforts of California Tourism as well as through local convention and visitor bureaus.

Program Components

The California Cultural Tourism Coalition and the California Travel & Tourism Commission will continue its partnership with *Smithsonian Magazine* to develop and produce a special advertising insert focusing on the Asiatic heritage of California.

Publication: Smithsonian Magazine Travel Planner

- Publication Date: June 2003 Issue
- 16-20 pages, 8 x 10 ³/₄, 4-color, saddle-stitched
- Circulation: 525,000 – 775,000

Editorial Content

- Editorial content may include the following topics:
- The History of Asiatic Culture in California
- Current Cultural Initiatives: Contemporary exhibits and attractions
- Arts & Culture: Destinations to include visual and performing arts venues
- Travel Packages: Special hotel packages created in each region
- Statewide Calendar of Events: Exhibitions, festivals, special events, etc.
- Notable Asian Individuals: Biography, history and contributions
- The Artist's Trail: Off-the-beaten-path studios of painters, musicians, sculptors, etc.
- Culinary Delights: Restaurants offering traditional and contemporary regional dining
- Nightlife & Entertainment
- Shopping
- Federal & State Parks
- Map

Editorial Development

Smithsonian Magazine will tap into the vast resources of the Smithsonian Institution in order to expand on the editorial content.

Distribution

Travel Insert (16-20 Pages)

13 Western States: California, Washington, Oregon, Idaho, Wyoming, Montana, Nevada, Utah, Colorado, New Mexico, Arizona, Alaska and Hawaii.

- Circulation: 523,000 subscribers (66% in California)
- Media Value: \$550,000 - \$680,000

- Approximately 100,000+
- Events include: lectures, films, exhibits, performances and special programs for adults and children attend special programming.
- Media Value: \$50,000

The Smithsonian Magazine Celebration Weekend

- During the fall of 2002, a 3-day multi-media festival will bring the Smithsonian Experience to San Jose, CA, as well as two other US markets.
- Designed to inform and educate, the celebration will tie into prominent community groups, museums, and cultural centers, as well as local schools and civic organizations.
- Media Value: \$30,000

Added Value Program - Consumer Promotions

Web site

- Direct call to action to "California Cultural Tourism" website from "Hola California!" collateral.
- Link from Smithsonian Magazine website (1million page views per month) to "Cultural Tourism Website"
- On-Line Travel Contest: Involve prospective travelers with Hispanic cultural events in California on *Smithsonian Magazine's* website (*2 months - 1 million+ page views/month*)

California Restaurant Co-Op - "Dine California"

Building on the success of the 2001 Dine California program created to stimulate mid-week visitation and increase sales in participating California restaurants; this year's program will expand opportunities for participation through further promotion of the Dine California Card.

The program was designed to mirror other successful value-added discount dine programs like Visa Preferred San Francisco, United Airlines Dining Program and the Entertainment publications program. The biggest difference between the California program and other programs is use of a Web site guide rather than a printed dining guide. The site recorded over 1.5 million hits in the first seven months of operation.

Mervyn's of California will again distribute 1.4 million cards in August/September 2002. Mervyn's will place a pop-up insert on the Dine California website to link to Mervyn's credit card enrollment program for new customers in exchange for waiving card insertion fees.

California Tourism will work with Digital Foundry to increase and expand the four existing Dine California offers to entice additional restaurants and fast food chains to participate in the program, including but not limited to a coupon section for fast food restaurants and chains as well as a 15% discount offer to help expand restaurant participation.

California Tourism will work to encourage more participating restaurants this year by direct communications as well as partnering with local convention and visitors bureaus. Mervyn's of California would like to participate in a joint press conference to announce the 2002/03 program. Additional, outreach will be achieved through communications through the California Restaurant Association and by implementation of a 1-800 line for enrollment and program information.

Adventures in Wild California IMAX Film

California Tourism, in concert with K2 Communications, will continue to book the IMAX film in key domestic and international markets. As well, California Tourism will continue leveraging film launches with additional cooperative marketing activities that cross-promote the film, key partners, and California as a visitor destination.

Other Cooperative Marketing Efforts

California Tourism will partner with Ford Lincoln Mercury Destination Rewards program to promote California. In addition to producing a California poster for distribution in 4500 dealerships nationwide, California Tourism will partner with dealerships in the targeted drive markets in Summer 2002. The partnership is designed to expand frequency and outreach through co-branding in radio and print mediums, encouraging consumers to visit their local Ford Lincoln Mercury dealerships to pick up a vacation guide and to go on-line to win a trip to California. Destinations participating with vacation stays receive visibility in all promotional materials as well as the Ford *No Boundaries* publication distributed to SUV purchasers.

National Marketing/Co-op Budget

Advertising	\$3,100,000
Domestic Co-op	500,000
California Fun Spots	180,000
Shop California	100,000
Cultural Tourism	50,000
Dine California	100,000
Wild Vacations	30,000
Marketing Consultants	137,000
Miscellaneous Items	7,000
National Tour Association (NTA)	75,000
Video Duplication	5,000
Trade Shows/Exhibitions	15,000
Trade Promotions	10,000
California Network	500,000
California Connection	10,000
California Card	12,500
NTA Fams	25,000
Golf Co-op	50,000
International Co-op	225,000
Outdoor Recreation Co-op	50,000
TOTAL NATIONAL MARKETING	\$5,181,500

International Travel Trade Development and Marketing

Due to a lack of advertising funds, marketing efforts within international regions rely on a much more strategic and targeted approach. Relationships with airlines, tour operators and appropriate products are critical in successfully supplementing the more traditional activities such as trade show/exhibition participation, tour operator sales calls and travel agent educational training. These cooperative partnerships significantly increase California's visibility in a wide range of markets.

Although small in volume of visitor trips in comparison to in-state and national visitation, the international traveler is coveted because of the propensity for longer stays, higher per capita expenditures and off-season/off-peak travel. The presence

of five international representation offices in Australia, Brazil, Germany, Japan, Mexico and the United Kingdom provide critical assistance in ensuring California maintains strong visibility in these key markets.

Program Goals

The overall goal of the international program is to provide the highest level of service to the travel industry and implement cost-effective marketing activities. Specific objectives in pursuing these goals:

- Provide timely response to travel trade information and publication requests
- Increase awareness of services available to the travel trade
- Develop cost-effective methods for distribution of consumer information
- Further the knowledge of the travel trade regarding the attributes of California through the use of educational seminars and specially designed collateral materials
- Strengthen relationships with airline partners
- Assist rural regions in promoting their areas to international markets
- Expand efforts to reach the meeting and incentive markets
- Implement targeted consumer campaigns
- Provide convenient and user-friendly services to the travel trade in markets where official representation offices are present
- Provide cost-effective platforms for individual tourism industry partners to reach desired international markets

Target Market Sectors

Consumer

- Expand direct consumer outreach marketing efforts through attendance at exhibitions and promotional campaigns
- Expand in-language collateral material inventory for selected markets
- Expand and improve consumer fulfillment services
- Expand promotion of the Visitor Information Services program
- Implement marketing campaigns around the newly developed Outdoor Recreation and Golf California Web sites
- Expand marketing efforts around the existing Dine, Shop, and Cultural Tourism Web sites

Travel Trade

- Strengthen relationships with key tour operators
- Expand educational training efforts among retail travel agents
- Participate in tour operator road shows/product launches
- Improve response services for requests for collateral materials and/or assistance
- Expand marketing efforts to the MICE sector
- Develop extensive and user-friendly facility and service resources

- Expand direct outreach through trade show/exhibition attendance

Travel Trade Points of Contact

Airlines – The airlines serve as the critical link between foreign markets and destination visitor arrivals. Direct and non-stop services heavily influence the traveler's destination selection. Airlines provide a valued connection between consumer and travel by way of loyalty programs, operator relationships and consumer direct advertising/promotions.

Tour Operators - Strong relationships with tour operators are still fundamental to maintaining good visibility within a market as they generally carry the burden of promoting destinations to the consumer. Personal contact at trade shows and during sales calls continues to play an important role in expanding California product. Exhibiting at trade shows is especially important in secondary and potential markets, as the extent of product knowledge is often limited to the gateway cities.

Travel Agents – The travel agency continues to struggle to survive as the reliance on technology forces a more competitive environment and the increased sophistication of the traveler further pressures the agent to perform at exceptionally high standards. As more wholesalers expand direct to consumer marketing efforts and suppliers further reduction of commissions has forced the travel agent to seek new and creative ways to sell. Creating their own Websites, developing packages and aggressively seeking loyal clientele have made travel agents an increasingly important source of potential sales. These changes have made it even more important for Destination Marketing Organizations (DMO's) to provide useful and detailed information to assist in their newfound survival modes.

Foreign Offices – Primary Markets - A strategic tool in maintaining California's presence among the trade will continue to be the contracted in-market representation services in the UK, Germany, Japan, Australia, and Brazil. These offices keep the trade abreast of new developments within the state and secure important business leads that may otherwise be lost to competitors. The four offices that currently accept destination partners have revised their scopes of work to offer multiple levels of partnership to the industry, thus expanding their available marketing budgets without additional financial support from the State. The Japan contract, after being re-bid in 2003, will also offer multi-tiered participation levels.

Mexico – Though not yet an official representation office, a small amount of funds are targeted to support the industry's increasing demand for a more aggressive marketing approach in the market. To date, the Agency's International Trade and Investment Office in Mexico City has served as Tourism's primary representative. In 2002-03, additional projects will be delegated to a third-party agency specializing in tourism marketing.

Primary Market Activities

Australia

- Continue consumer fulfillment service
- Broaden trade knowledge through educational training seminars
- Implement a minimum of 1 consumer campaign
- Maintain the Club California travel agent specialist program
- Attend key travel trade, incentive and consumer exhibitions
- Expand trade promotional efforts through airline and tour operator partnerships
- Conduct industry-support trade sales mission

Brazil

- Expand services to trade and media through efforts of representation office
- Broaden trade knowledge through educational training seminars
- Implement a trade and consumer marketing campaign
- Attend major travel trade exhibitions/seminars and operator road shows
- Conduct sales mission

Canada

- Participate in key travel trade and consumer exhibitions in selected regions
- Pursue consumer direct promotional opportunities through partnerships with airlines and tour operators

Germany (Austria and Switzerland)

- Pursue marketing opportunities to dispense condensed in-language consumer piece
- Develop Outdoor Recreation Co-op Campaign focused on camping and other related activities
- Aggressively expand consumer and trade marketing efforts through addition of dmo partners in the representation contract

Japan

- Participate in key travel trade and consumer exhibitions
- Expand representation contract to include industry partners
- Increase emphasis on marketing to niche markets such as incentive, senior, honeymoon and study tour business
- Partner with the California Food and Agriculture Department in implementing a consumer direct promotional campaign
- Continue the Japan Recovery Program in rebuilding confidence of the travel to renew travel to the U.S. and California

Mexico

- Maintain services to travel trade and media through use of local California Trade and Commerce Agency International Trade and Investment office
- Attend key travel trade exhibitions in Guadalajara and Mexico City
- Maintain Visit USA membership
- Conduct annual sales mission program with Las Vegas and Arizona
- Coordinate travel trade familiarization tours
- Support new airline service to the state through promotional activities

United Kingdom

- Implement consumer campaign highlighting a 'lifestyle' theme and the *Adventures in Wild California* film
- Maintain trade representation and expand dmo/cvb partnership
- Improve consumer fulfillment services
- Expand consumer reach through increased attendance at consumer exhibitions
- Attend key incentive and travel trade exhibitions
- Develop an industry-supported condensed visitors guide for mass distribution
- Implement series of trade and consumer marketing programs through airline alliances, tour operator programs and product vendors

Secondary Market Activities

- Latin America (except Brazil and Mexico) Strengthen relations with airlines to better infiltrate the market

- Build relations with trade and media
- Maintain Visit USA memberships
- Participate in key travel trade exhibitions and promotions

France

- Develop joint partnership with United Airlines to promote Paris-California routes via Washington D.C.
- Develop consumer campaign revolving around the *Adventures in Wild California* film scheduled to open in Spring 2003
- Investigate expansion of representation services in market

Ireland

- Develop consumer campaign with major tour operator
- Expand trade educational efforts
- Attend key consumer exhibitions
- Increase support of Visit USA organization

Italy

- Develop joint partnership with United Airlines to promote Milan-California routes via Washington D.C.
- Maintain Visit USA membership
- Attend key trade shows and exhibitions

Switzerland

- Expand trade and media outreach through German representation office
- Attend key travel trade exhibitions

Scandinavia (Denmark, Finland, Norway, Sweden)

- Place stronger emphasis on consumer and trade outreach in Sweden
- Strengthen relations with trade and media, possibly through representation
- Increase emphasis on incentive and golf markets
- Increase trade educational efforts

Visit USA Committees/Centers

Visit USA Committees/Centers are an important part of our outreach efforts, especially in markets where California representation does not exist. The Committees, typically composed of U.S. travel company representatives based in-market and outbound tour operators develop ways to promote travel to the U.S.

The Centers provide direct support to the trade and/or the consumer, ensuring California maintains a presence through material distribution. Also, as a member of the organizations, California receives opportunities to participate in trade and promotional activities not otherwise available.

Miscellaneous

Many other elements play significantly into the formula of promoting the state internationally, including extensive educational training seminars/tour operator road shows, familiarization tours, travel trade newsletter, trade contact piece, translation services, consumer and trade fulfillment services and partner relationships. Each of these items, although often smaller and less visible than the more large-scale efforts indicated previously, provided the missing pieces that complete the puzzle.

Familiarization Tours - Still seen as one of the most effective methods to sell the state and specific destinations is the coordination or hosting of "fams". Organized/co-sponsored by airlines or tour operators, California Tourism typically assists in finding appropriate destination sponsors to facilitate groups. Participants typically include

top-producing travel agents or tour operators, airline and/or tour operator representatives, and are often escorted by a California Tourism delegate.

Visitor Services Program - Funded by the travel industry and executed in cooperation with Ameurop, the VSP provides a range of services to both the consumer and the travel industry. Ameurop, a global communications company, maintains a 24/7 multi-lingual telephone operator service accessible by visitors to California via a toll-free information line. A Web site profiling supporting travel industry partners is linked to the California Tourism home page as well as directly to each partner's web site. 2002-03 efforts will include a revision of the rack card, multiple language versions, direct consumer distribution through selected tour operators, and dissemination through the official California Welcome Centers.

Outdoor Recreation Co-op – (see National Marketing) Internationally, promotional programs will be developed in selected markets where the traveler profile often includes such experiences.

Golf California – (see National Marketing) In the international marketplace, promotional programs will be developed in selected markets where the traveler profile often includes such experiences.

Online Incentive and Meetings Facilities Web site - To respond to the industry's request for the state to help raise the profile of California as an incentive destination, an extensive facility and services program, utilizing the latest in online technology, will be implemented. The domain name will be California4meetings.com and will be linked to the California Tourism website. The Web site will provide the MICE market a customized Web site that will provide a user-friendly and in-depth information source to access meeting and incentive facilities throughout the state. Industry supported, the service will allow destinations and their suppliers a cost-effective method of promoting their wares to a global MICE market.

International Marketing Budget

Trade Shows	\$305,000
World Travel Market	\$ 75,000
California Travel Market	\$ 40,000
Trade Shows & Exhibitions	\$190,000
Foreign Representation/Offices	\$474,000
Australia	\$ 50,000
Brazil	\$ 50,000
Germany	\$ 40,000
Japan	\$150,000
Mexico	\$ 25,000
UK	\$119,000
Additional Representation	\$ 40,000
Visit USA Centers	\$ 12,000
Promotions	\$220,000
Consumer Promotions	\$ 25,000
Trade Promotions	\$ 70,000
Airline Co-op	\$ 50,000
Taste of California	\$ 15,000
Canada Co-op	\$ 60,000

Miscellaneous

International Consumer Fulfillment.....	\$ 25,000
Familiarization Tours	\$ 15,000
Visitor Services Program.....	\$ 6,000
International Brochures	\$ 15,000
Tour Operator Co-op.....	\$ 20,000

TOTAL INTERNATIONAL MARKETING.....\$1,092,000